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Report of the Secretary-General of the International Seabed Authority under article 166, paragraph 4, of the United Nations Convention on the Law of the Sea

I. INTRODUCTION

1. The present report of the Secretary-General of the International Seabed Authority is submitted to the Assembly of the Authority under article 166, paragraph 4, of the 1982 United Nations Convention on the Law of the Sea ("the Convention"). The report covers the period from July 1997 to July 1998.

2. The International Seabed Authority is an autonomous international organization established under the 1982 United Nations Convention on the Law of the Sea and the 1994 Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea ("the Agreement"). The Authority is the organization through which States parties to the Convention shall, in accordance with the regime for the seabed and ocean floor and subsoil thereof beyond the limits of national jurisdiction ("the Area") established in part XI and in the Agreement, organize and control activities in the Area, particularly with a view to administering the resources of the Area.

II. MEMBERSHIP OF THE AUTHORITY

3. As of 15 August 1998, 138 States and entities were members or provisional members of the Authority. In accordance with article 156, paragraph 2, of the Convention, all States parties to the Convention are ipso facto members of the Authority. As of 15 August 1998 there were 127 States parties to the Convention, while a further 11 States are provisional members of the Authority following decisions of the Council made pursuant to the provisions of the Agreement.

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4. The Agreement was adopted on 28 July 1994 by the General Assembly in its resolution 48/263. The Convention entered into force on 16 November 1994. After 16 November 1994, States and entities that were not States parties to the Convention, but which had consented to the adoption of the Agreement in the General Assembly or had notified the depositary of their consent to its provisional application, were enabled to apply the Agreement provisionally pending its entry into force. After the adoption of the Agreement, any instrument of ratification or formal confirmation of or accession to the Convention shall also represent consent to be bound by the Agreement. No State or entity may establish its consent to be bound by the Agreement unless it has previously established or establishes at the same time its consent to be bound by the Convention.

5. In accordance with article 6, paragraph 1, the Agreement entered into force on 28 July 1996. Paragraph 3 of article 7 of the Agreement provides that membership of the Authority on a provisional basis, if continued after the entry into force of the Agreement, shall terminate either on 16 November 1996 or upon the entry into force of the Agreement and the Convention for the State or entity concerned, whichever is earlier. Nevertheless, in accordance with paragraph 12 (a) of section 1 of the annex to the Agreement, the Council of the Authority may, upon the request of the State or entity concerned, extend such membership beyond 16 November 1996 for a further period or periods not exceeding a total of two years, provided that the Council is satisfied that the State or entity concerned has been making efforts in good faith to become a party to the Agreement and the Convention.

6. In accordance with the procedures set out in the Agreement, the Council extended the membership, on a provisional basis, of a number of States and the European Community, during the second, third and fourth sessions of the Authority. Some of those States and the European Community have since become parties to the Convention and the Agreement. As at 15 August 1998, the following States continue to be members of the Authority on a provisional basis as decided by the Council in accordance with subparagraph 12 (a) of section 1 of the annex to the Agreement: Bangladesh, Belarus, Belgium, Canada, Nepal, Poland, Qatar, Switzerland, Ukraine, United Arab Emirates and United States of America. Provisional membership, for all States, terminates on 16 November 1998.

7. It should be noted that, as at 15 August 1998, 37 members of the Authority which became States parties to the Convention prior to the adoption of the Agreement had not yet taken the necessary steps to become parties to the Agreement. These States are: Angola, Antigua and Barbuda, Bahrain, Bosnia and Herzegovina, Botswana, Brazil, Cameroon, Cape Verde, the Comoros, Costa Rica, Cuba, the Democratic Republic of the Congo, Djibouti, Dominica, Egypt, the Gambia, Ghana, Guinea-Bissau, Guyana, Honduras, Indonesia, Iraq, Kuwait, Mali, Marshall Islands, Mexico, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Sao Tome and Principe, Somalia, the Sudan, Tunisia, the United Republic of Tanzania, Uruguay, Viet Nam and Yemen.

III. SESSIONS OF THE AUTHORITY

8. The resumed third session of the Authority took place from 18 to 29 August 1997. The first part of the fourth session of the Authority took place from 16 to 27 March 1998. At its 51st meeting, on 17 March 1998, Mr. Tadeusz Bachleda-Curus (Poland) was elected President of the Assembly for 1998. The representatives of Mexico (Group of Latin American and Caribbean States), Senegal (Group of African States), Kuwait (Group of Asian States) and the Netherlands (Group of Western European and other States) were elected as Vice-Presidents.

9. At the 25th meeting of the Council, on 16 March 1998, Mr. Joachim Koch (Germany) was elected President of the Council for 1998. The representatives of Argentina (Latin American and Caribbean Group), Cameroon (African Group), Indonesia (Asian Group) and the Russian Federation (Eastern European Group) were elected as Vice-Presidents.

IV. ELECTION OF THE COUNCIL

10. It is recalled that the first Council of the Authority was elected in March 1996. In accordance with paragraph 3 of article 161 of the Convention, the term of one half of the members of the Council of each of the five interest groups referred to in paragraph 15 of section 3 of the annex to the Agreement shall be two years. Following consultations within the interest and regional groups, the Assembly, at its 53rd meeting on 25 March 1998, in order to harmonize the terms of office of members of the Council with the calendar year, decided that the terms of office of those members of the Council elected in 1998 would commence on 1 January 1999 and continue for a period of four calendar years and that the terms of office of those members of the Council elected in 1996 for a two-year term would end on 31 December 1998, while the terms of office of those members elected in 1996 for a four-year term would end on 31 December 2000.[1]

11. At its 54th meeting, on 26 March 1998, in accordance with article 161, paragraph 3 of the Convention, the Assembly elected the following 18 States as members of the Council for a term of four years each, subject to certain understandings reached in the interest and regional groups and set out in document ISBA/4/A/6:

Group A: Russian Federation, the United States of America

Group B: Germany, the Netherlands

Group C: Canada, Chile

Group D: Egypt, Fiji, Jamaica

Group E: Austria, Cameroon, Costa Rica, Nigeria, Pakistan, Paraguay, the Republic of Korea, Saudi Arabia, Tunisia.

12. The members of the Council for 1999 will be: Argentina, Austria, Belgium, Brazil, Cameroon, Canada, Chile, China, Costa Rica, Egypt, Fiji, France, Gabon, Germany, Indonesia, Jamaica, Japan, Kenya, Namibia, the Netherlands, Nigeria, Oman, Pakistan, Paraguay, the Philippines, Poland, the Republic of Korea, the Russian Federation, Saudi Arabia, Senegal, the Sudan, Trinidad and Tobago, Tunisia, Ukraine, the United Kingdom of Great Britain and Northern Ireland and the United States of America.

V. RELATIONS WITH THE UNITED NATIONS AND OTHER INTERNATIONAL ORGANIZATIONS

A. Relationship agreement with the United Nations

13. It is recalled that the relationship agreement between the United Nations and the International Seabed Authority was signed by the Secretary-General of the United Nations and the Secretary-General of the International Seabed Authority on 14 March 1997 in New York. According to its terms, the agreement is to be applied provisionally by the United Nations and the Authority upon signature by the respective Secretaries-General and shall enter into force on its approval by the General Assembly of the United Nations and the Assembly of the Authority. The agreement was approved by the Assembly of the Authority at its forty-fifth meeting on 27 March 1997.[2] The agreement was approved by the fifty-second session of the General Assembly of the United Nations in its resolution 52/27 of 26 November 1997 and entered into force on that date.

B. Relationship with the International Tribunal for the Law of the Sea

14. It will be recalled that the Preparatory Commission for the International Seabed Authority and for the International Tribunal for the Law of the Sea made a number of recommendations concerning the establishment of a relationship agreement between the Authority and the International Tribunal for the Law of the Sea. In particular, the report of Special Commission 4 sets out principles governing a relationship agreement between the two institutions in order to ensure effective cooperation, consultation and exchange of information.[3] Following discussion of this matter in the Assembly during the resumed third session of the Authority in August 1997, the secretariat has commenced discussions with the Registry of the Tribunal with a view to drafting an agreement which would provide for administrative cooperation between the two institutions.

C. Relationship with other organizations

15. No formal relationship agreements with other international and non-governmental organizations were entered into during the period covered by the present report. Nevertheless, at the resumed third session of the Authority in August 1997, the Assembly granted observer status to Greenpeace International, a non-governmental organization. In addition, during the first part of the fourth session of the Authority, in March 1998, the Assembly granted

observer status, under paragraph 1 (d) of rule 82, of its Rules of Procedure, to the Permanent Commission of the South Pacific, a subregional intergovernmental organization established in 1952.

16. In accordance with the relevant provisions of the Convention, the Secretary-General will continue to pursue the development of cooperative arrangements between the Authority and other competent international organizations where appropriate and necessary in order to ensure the effective discharge of their respective responsibilities under the Convention.

VI. RELATIONS WITH THE HOST COUNTRY

17. In the report of the Secretary-General presented to the third session of the Authority in 1997,[4] it was noted that one of the urgent matters to be addressed upon the Secretary-General taking up his duties was the matter of the headquarters agreement between the Government of Jamaica and the Authority. It was further noted that, following the establishment of the Authority and pending the identification of suitable premises, the Authority was continuing to use as its temporary office the premises in downtown Kingston adjacent to the Jamaica Conference Centre formerly occupied by the Kingston Office for the Law of the Sea.

18. In August 1997, following concerns expressed by the members of the Authority, the Government of Jamaica offered, as an interim measure, to provide the secretariat with additional space in the premises it currently occupies, pending a decision on the location of the permanent headquarters of the Authority. This additional space was urgently needed to accommodate the increased numbers of staff in the secretariat. Regrettably, the additional space promised has not materialized and the secretariat continues to operate, with increasing difficulty, in the space first obtained for the Kingston Office for the Law of the Sea in 1983.

19. On 10 March 1998, the Minister for Foreign Affairs and Foreign Trade of Jamaica informed the Secretary-General, by letter, that the Government of Jamaica had decided to offer the building currently occupied by the Authority for the permanent use and occupation of the Authority as its headquarters. The Secretary-General informed the Assembly of the offer on 17 March 1998, noting that clarification would have to be obtained from the Government of Jamaica with respect to the terms and conditions of the offer and that a report on the financial and other implications for the Authority of the offer would be prepared as soon as relevant information was available. Of particular concern were the maintenance costs, the structural condition of the building, the condition of major equipment and the question of refurbishment.

20. In the circumstances, pending consideration by the Council and the Assembly of the formal offer made by the Government of Jamaica, it has not been possible to make any further progress with the draft headquarters agreement between the Authority and the Government of Jamaica submitted to the Council during the first part of the third session of the Authority in March 1997.[5]

VII. PRIVILEGES AND IMMUNITIES

21. A draft protocol on the privileges and immunities of the International Seabed Authority submitted by the Preparatory Commission for the International Seabed Authority and for the International Tribunal for the Law of the Sea[6] was considered by the Assembly at the resumed second session of the Authority, held from 5 to 16 August 1996. An open-ended working group was established to undertake a review of the draft document. On the basis of the report submitted by the working group, the Assembly requested the secretariat to undertake further work on the draft protocol. Accordingly, the secretariat presented a revised version of the draft protocol at the first part of the third session of the Authority.[7] The draft eliminated from the protocol those matters already contained in the Convention. Following informal consultations with interested delegations, a further revised and much simplified version of the draft protocol was issued on 24 March 1997, as document ISBA/3/A/WP.1/Add 1. This draft formed the basis for detailed consideration in a resumed open-ended working group under the chairmanship of Mr. Zdzislaw Galicki (Poland), during the resumed third session of the Authority in August 1997. At the end of that session, the working group produced an informal revised draft of the protocol. Following continued consideration of the informal revised draft at the fourth session of the Authority in March 1998, the working group proposed to the Assembly for adoption a final draft protocol on the privileges and immunities of the Authority on 26 March 1998.[8]

22. The Protocol on the Privileges and Immunities of the International Seabed Authority was adopted by consensus at the 54th meeting of the Assembly, on 26 March 1998.[9] The Protocol deals with the privileges and immunities of the Authority in relation to those matters which are not already covered in the Convention (articles 176 to 183) and is based substantially on articles I, II, IV, V, VI and VII of the Convention on the Privileges and Immunities of the United Nations of 13 February 1946. The Protocol will be opened for signature at the headquarters of the International Seabed Authority in Kingston, Jamaica, from 17 August until 28 August 1998, and subsequently, until 16 August 2000, at United Nations Headquarters in New York. It is subject to ratification or accession and will enter into force 30 days after the date of deposit of the tenth instrument of ratification or accession. It is hoped that member States of the Authority will give consideration to the early signature of the Protocol and its ratification.

VIII. PERMANENT REPRESENTATIVES TO THE AUTHORITY

23. As of 21 July 1998, the Ambassadors of Argentina, Brazil, Chile, China, Costa Rica, Cuba, Germany, Haiti, Italy, Jamaica, Mexico, the Netherlands and the Republic of Korea had presented their credentials to the Secretary-General as Permanent Representatives to the Authority.

IX. ORGANIZATION OF THE SECRETARIAT

A. Recruitment of staff

24. As noted in the report of the Secretary-General presented to the Assembly in August 1997, recruitment of General Service staff, up to the numbers provided for in the 1997 budget, was completed by April 1997. Recruitment of Professional staff, in accordance with international practice, was opened to international competition in March 1997 and was largely completed by March 1998. Owing to budgetary constraints, recruitment for some posts approved for 1997 was delayed to 1998. Nevertheless, the position as at June 1998 is that most of the established posts approved for 1998 have been filled. It is anticipated that the remaining posts will be filled before the end of 1998.

25. The secretariat is organized into four main functional areas: Office of the Secretary-General, Office of Administration and Management, Office of Legal Affairs and Office of Resources and Environmental Monitoring. The approved establishment of the secretariat is 36 posts. While it was envisaged in the budget for 1997 that, by 1999, the secretariat would require a total of 44 posts, no additional posts have been requested in the budget proposals for 1999. The Secretary-General considers that, as a result of the delays in recruitment experienced in 1997 and 1998, the secretariat needs more time to consolidate its present resources and better evaluate its future staffing requirements. As a result, the further request for additional posts in 1999 has been postponed.

B. United Nations Joint Staff Pension Fund

26. It is recalled that, at its second session in August 1996, the Assembly decided that it would be in the best interest of the Authority to become a member of the United Nations Joint Staff Pension Fund and requested the Secretary-General to take the necessary steps to apply for membership in the Fund.[10] At its 180th meeting in July 1997, the Standing Committee of the Board of the Fund, on behalf of the Board, decided to recommend to the General Assembly of the United Nations that the Authority be admitted to membership in the Fund. In decision 52/458 of 22 December 1997, the General Assembly decided to approve the admission to membership in the Fund of the Authority as from 1 January 1998. In accordance with the regulations of the Fund, the Secretary-General, on 18 June 1998, executed an agreement between the Fund and the Authority governing the admission of the Authority to membership. On the same date, the Authority and the United Nations also executed a special agreement extending the jurisdiction of the Administrative Tribunal of the United Nations to the Authority with respect to applications by staff members of the Authority alleging non-observance of the regulations of the Fund. This completed the administrative steps necessary to enable the Authority to become a member of the Fund.

C. Administrative matters

27. The Office of Administration and Management continued to focus on the establishment of basic systems of financial management and control, as well as the development of a sound and efficient management foundation in the field of budget, treasury accounting, payroll, procurement, human resources, security and general administration. Administrative circulars and directives were issued to establish and implement a number of administrative policies and procedures. Travel and procurement procedures were standardized. In order to achieve the maximum efficiency and cost-effectiveness, an integrated accounting software package, which provides accounting, purchasing module and inventory modules, was installed.

28. One of the important matters that needed to be addressed was the establishment of a scheme of health insurance for staff members. In the case of General Service staff, it was found that the existing self-insurance scheme was not sustainable for an organization of the size of the Authority. Accordingly, with effect from 1 March 1998, the Authority arranged a new group health insurance plan for General Service staff members. The new insurance plan, while providing an equivalent level of benefits, eliminates the need for administrative processing. The Authority also arranged a group health insurance plan for Professional staff members which became effective as of 1 October 1997. Because of the small numbers of staff involved, it has not been possible for the Authority to obtain terms comparable to those enjoyed by staff members of the United Nations. Nevertheless, the Secretary-General intends to keep the issue of health insurance under review and to conduct a thorough examination of other options before the end of 1998.

D. Library facilities

29. The specialized library of the Authority continues to serve the needs of member States, Permanent Missions and researchers interested in all aspects of the Convention and seabed and marine related affairs. The library also provides reference and research assistance to staff of the secretariat. In addition, the library handles the storage, cataloguing and distribution of the official documents and publications of the Authority.

30. A full-time librarian was appointed in December of 1997. The priority since then has been to develop an acquisition programme for the library and to strengthen the research capability of the collection. These are being achieved through the acquisition of specialized and reference publications on the law of the sea and seabed oriented technical and scientific material, both current and earlier works. Substantial progress has been made in updating the list of subscriptions to periodicals maintained by the library, many of which had not been maintained for several years. Contact has also been established with related institutions and libraries. As a result, the library has received some material free of charge. The library of the Division for Ocean Affairs and the Law of the Sea of the Office of Legal Affairs of the United Nations has also donated a large number of technical and scientific documents, which will significantly enhance this aspect of the collection. The Secretary-General

expresses his appreciation to all donors for their valuable contributions to the library.

31. During 1999, the library will continue its acquisition programme in order to build up a comprehensive collection of reference materials. A computerized cataloguing and classification system will also be introduced. One of the major constraints to the better organization of the library is the cramped accommodation and inadequate shelving currently available. It is hoped that these problems can be addressed during 1999.

X. BUDGET AND FINANCE

A. Budget

32. It is recalled that the proposed budget for 1998 amounted to $5,823,100, comprising $3,589,100 for the administrative expenses of the Authority and $1,786,100 for conference-servicing requirements.[11] The draft budget was considered by the Finance Committee, which recommended certain amendments and submitted a report to the Council and Assembly.[12] Subsequently, on the basis of the recommendations of the Finance Committee, the Assembly adopted a revised budget for 1998 in the sum of $4,703,900 ($3,328,100 for the administrative expenses of the Authority and $1,375,800 for conference services). In addition a working capital fund of $392,000 was established for the biennium 1998-1999, with $196,000 to be paid in 1998 and $196,000 to be paid in 1999.

33. 1998 was also the first year during which the budget was to be funded through direct contributions from member States. In both 1996 and 1997, the administrative expenses of the Authority were met from the regular budget of the United Nations. Because of the evolutionary approach adopted by the Authority, no real benchmark was available in 1997 against which to assess the budgetary requirements of the Authority. As a result, some major contributors had under-budgeted their anticipated contributions. In the light of the discussion in the Finance Committee and representations made to the Secretary-General by some delegations, the budget proposal was revised to take into account the special circumstances of those members. The consequence of this was to artificially reduce the budget for 1998.

34. The proposed budget of the Authority for 1999 continues to follow the evolutionary approach reflected in the budget for 1997, which was endorsed by the Assembly. The evolutionary approach to the setting up and functioning of the organs of the Authority is also reflected in the Agreement. The estimated budgetary requirement of the Authority for 1999 is $5,604,100, comprising $4,228,300 for the administrative expenses of the Authority and $1,375,800 for the conference-servicing requirements.[13]

35. The projected increase in estimated administrative expenses in 1999 is partially attributable to the full costing for salaries and common staff costs of the 36 posts authorized in 1998. In this regard, it will be recalled that, in the 1998 budget, six of the posts authorized for 1998 were partially funded in order to take into account delays in recruitment. While it was foreseen in the 1997 budget proposal that by 1999 the secretariat would require a total of

44 posts, no additional posts are being requested for 1999. It is considered that, in the light of experience since 1997, the secretariat needs more time to consolidate its present resources and better evaluate its future staffing requirements. As a result, the further request for additional posts in 1999 is being postponed. Setting aside the necessary adjustment in the provision for salaries and common staff costs in 1999, the proposed budget for non-staff costs for 1999 represents a modest increase of 10.7 per cent over the budget for 1998.

B. Scale of assessment

36. For 1998, the Assembly adopted, for the first time, a scale of assessment for the contributions of members of the Authority to the budget and the working capital fund. In accordance with article 160, paragraph 2 (e), of the Convention, the scale of assessment is to be based upon the scale used for the regular budget of the United Nations. The scale of assessment adopted by the Assembly at the resumed third session of the Authority in August 1997 was therefore based on that of the United Nations, but with adjustments to take account of differences in membership. The Finance Committee was unable to make a recommendation to the Council and Assembly with regard to the contribution to be paid by the European Community for 1998, as it was considered that the provisions of the Convention as to whether the European Community is required to make an assessed contribution to the budget are unclear. Following further discussion of this matter in the Council, the Council determined the contribution of the European Community to the budget for 1998 to be $75,000, noting that the amount would be adjusted taking into account the evolution in the administrative budget and related funds.[14]

37. As at 16 June 1998, contributions to the budget had been received from 51 members of the Authority. The total amount received was $2,600,120, or 55 per cent of the total assessed contributions.

C. Financial regulations

38. Pending the adoption of its own regulations, consistent with the financial regulations of the United Nations, the Authority applies, mutatis mutandis, the Financial Regulations of the United Nations. Draft financial regulations were considered and revised by the Finance Committee during the resumed third session of the Authority in August 1997 and again during the first part of the fourth session in March 1998. It is anticipated that the Finance Committee will complete its work on the draft financial regulations during the resumed fourth session of the Authority in August 1998.

XI. SUBSTANTIVE WORK OF THE AUTHORITY

A. Formulation of the rules, regulations and procedures for prospecting and exploration for polymetallic nodules in the Area

39. During the resumed third session of the Authority in August 1997, the Legal and Technical Commission continued to review the draft regulations on prospecting and exploration for polymetallic nodules in the Area ("the mining code"). As a result of its deliberations, the Commission was able to prepare a further revised text of the mining code, including a model contract for exploration and standard clauses of contract. The Chairman of the Commission, Mr. Jean-Pierre Lenoble (France), introduced an informal draft of a provisional text of the mining code to the Council and invited members of the Council to provide comments on the draft to the secretariat by, at the latest, 31 December 1997. The secretariat received detailed comments from a number of members of the Authority and these, together with an annotated version of the draft mining code, were presented to the Legal and Technical Commission at its meeting in March 1998. The Legal and Technical Commission completed its formulation of the mining code and submitted the text to the Council for adoption on 23 March 1998. The final text proposed for adoption by the Council, issued as document ISBA/4/C/4/Rev.1, deals only with prospecting and exploration for polymetallic nodules. It consists of regulations governing applications for and approval of plans of work for exploration together with a standard form of contract and standard clauses of contracts.

40. Once adopted by the Council, the code will be provisionally applied pending its approval by the Assembly in accordance with article 162, paragraph 2 (o) of the Convention.

B. Status of registered pioneer investors

41. Among the most important milestones in the work of the Authority has been the submission, in accordance with the provisions of the Agreement, of requests for approval of plans of work by registered pioneer investors. By the final session of the Preparatory Commission, seven pioneer investors had been registered by the General Committee under the provisions of resolution II of the Third United Nations Conference on the Law of the Sea. These were India, on 17 August 1987, Institut Français de recherche pour l'exploitation de la mer/l'Association française pour l'étude et la recherche des nodules (IFREMER/AFERNOD) (France), the Deep Ocean Resources Development Company (Japan) and Yuzhmorgeologiya (Union of Soviet Socialist Republics [now the Russian Federation]), all on 17 December 1987, the China Ocean Mineral Resources Research and Development Company (China), on 5 March 1991, Interoceanmetal Joint Organization (Bulgaria, Cuba, the Czech and Slovak Federal Republic [now the Czech Republic and Slovakia], Poland and the Union of Soviet Socialist Republics [now the Russian Federation]), on 21 August 1991, and the Republic of Korea, on 2 August 1994.

42. In accordance with paragraph 6 (a) (ii) of section 1 of the annex to the Agreement, a registered pioneer investor was entitled to request approval of a

plan of work for exploration within 36 months of the entry into force of the Convention, that is, by 16 November 1997. Pursuant to this provision, all seven registered pioneer investors submitted requests for approval of their plans of work for exploration to the Secretary-General on 19 August 1997. In accordance with the provisions of the Agreement, such plans of work consisted of the documents, reports and other data submitted to the Preparatory Commission both before and after registration, as well as the certificate of compliance issued by the Preparatory Commission in accordance with resolution II, paragraph 11 (a).[15]

43. The requests for approval of plans of work for exploration were considered by the Legal and Technical Commission on 21 August 1997. In relation to each request, the Legal and Technical Commission ascertained that the requirements of the Agreement had been met. At its 22nd meeting, on 27 August 1997, the Council, acting on the recommendation of the Legal and Technical Commission, noted that, in accordance with paragraph 6 (a) (ii) of section 1 of the annex to the Agreement, the plans of work for exploration submitted by the seven registered pioneer investors were considered to be approved and requested the Secretary-General to take the necessary steps to issue the plans of work in the form of contracts incorporating the applicable obligations under the provisions of the Convention, the Agreement and resolution II, and in accordance with the regulations for prospecting and exploration for polymetallic nodules in the Area and a standard form of contract to be approved by the Council.[16]

C. Training

44. Paragraph 12 (a) (ii) of resolution II requires every registered pioneer investor to provide training at all levels for personnel designated by the Preparatory Commission. The Special Commission for the Enterprise, Special Commission 2, was established in accordance with paragraph 8 of resolution I of the Third United Nations Conference on the Law of the Sea and was entrusted with the functions referred to in paragraph 12 of resolution II. All registered pioneer investors, with the exception of the Government of the Republic of Korea, had fulfilled their obligations with regard to training by the time the Preparatory Commission completed its work.

45. By paragraph 2 of the annex to document LOS/PCN/L.115/Rev.1, the Government of the Republic of Korea, as a registered pioneer investor, was required to provide training, in conformity with the specific programme for training approved by the Preparatory Commission. It was agreed that the cost of such training shall be borne by the Government of the Republic of Korea. The precise number of trainees, the duration and the fields of training was to have been agreed upon between the Preparatory Commission and the Government of the Republic of Korea, according to its capabilities. It was further agreed that the first group of trainees should consist of no less than four individuals. The Republic of Korea submitted its proposal for a training programme to the Authority on 6 March 1995, after the training panel had concluded its work and presented its final report to the General Committee of the Preparatory Commission.[17]

46. The proposal of the Republic of Korea was submitted to the Legal and Technical Commission at its meeting in August 1997, having been reissued and approved as document ISBA/3/LTC/2. Following approval of the training programme, the Secretary-General, by note verbale dated 14 April 1998, requested members of the Authority to nominate candidates for training by, at the latest, 31 July 1998. On the basis of the nominations received, the Legal and Technical Commission will select candidates for the training programme, which is scheduled to commence in March 1999. At the same time, the secretariat is in the process of preparing an evaluation of the training carried out pursuant to resolution II, concentrating in particular on those training programmes which the training panel of the Preparatory Commission was unable to evaluate. The results of this study will be presented to the Legal and Technical Commission.

D. International symposium on environmental studies for deep seabed mining

47. In November 1997, the Secretary-General was invited by the Metal Mining Agency of Japan to present the keynote address to an international symposium on environmental studies for deep seabed mining in Tokyo, Japan. The objective of the symposium, which was attended by representatives of several States and organizations active in the exploration of the deep seabed, was to review the status of studies of the potential environmental impacts of exploration and to identify possible areas for future study.

E. Workshop on the development of guidelines for the assessment of the possible environmental impacts arising from exploration for polymetallic nodules

48. In June 1998, the Authority convened a workshop on the development of guidelines for the assessment of the possible environmental impacts arising from exploration for deep seabed polymetallic nodules in the Area. By kind invitation of the Government of China, the workshop was held in Sanya, Hainan Island, China, from 1 to 5 June 1998. The workshop was attended by representatives of five of the registered pioneer investors: the China Ocean Mineral Resources Research and Development Association, Deep Ocean Resources Development Co. Ltd. (Japan), Interoceanmetal Joint Organization, India, and the Republic of Korea, as well as experts from Australia, Brazil, Cameroon, China, Fiji, Germany, Indonesia, Jamaica, Japan, Namibia, Papua New Guinea, the Russian Federation and the United States of America. The objective of the workshop was to develop, as a basis for environmental guidelines, an effective environmental monitoring programme with specific parameters, frequency of measurement and recommended methodology. With this in mind, the secretariat prepared a synthesis of all available information on the environmental impacts of deep seabed mining and a set of draft guidelines for consideration by the workshop.

49. The workshop heard presentations on the basic ecology of the deep sea nodule province, necessary critical experiments to fill gaps in knowledge, data and physical structure and source of deep water for the Clarion-Clipperton fracture zone and the technologies for conducting exploration activities. The workshop also reviewed past and current studies of the marine environment,

identified common elements in such studies and completed a set of draft guidelines for the assessment of environmental impacts of exploration in the Area. The draft guidelines direct potential users of the deep seabed to characterize the physical and chemical regime of the bottom waters, analyse the sediment properties and conduct surveys of the biological communities. The draft will be submitted to the Legal and Technical Commission for its consideration in due course.

50. The workshop also recommended that the Authority should prepare an environmental studies model to encourage cooperation among States, national scientific institutions and the pioneer investors in areas of environmental study and research and promote studies on the response of deep sea biota to sediment resuspension. Such common studies would encourage cooperation and economy and would be cost-effective for all concerned.

F. Development of POLYDAT

51. During 1997,the Office of Resources and Environmental Monitoring completed work on the establishment of the Authority's secure database of data and information relating to the Area (POLYDAT). The information contained in the database comprises the coordinates of areas allocated to registered pioneer investors and reserved for the Authority, details of the methodology used for data acquisition and mining data relating to the nature and abundance of resources. The Geographical Information System (GIS) capacity of the database will make it possible to produce listings, graphs and maps, including abundance maps of polymetallic nodules.

52. During 1999, it is intended to expand POLYDAT to include modules on the technology and methodology used in prospecting and exploration for polymetallic nodules and for continuous bathymetric surveys, multi-layer surveys and seismic and geotechnical information. Existing GIS software will also be upgraded to produce needed outputs, maps and displays that cannot be displayed with the current software. In addition, the Authority will establish a database of biological, oceanographic and meteorological data to support the Authority's environmental monitoring programme.

G. Resource assessment of the areas reserved for the Authority

53. With the recruitment of a marine geologist and a marine biologist within the Office of Resources and Environmental Monitoring, the Authority has been able to commence work on a detailed assessment of the resource potential of the areas reserved for the Authority. These areas are located in the Clarion-Clipperton fracture zone between latitudes 7°15' N and 17°15' N and longitudes 120° W and 156°40' W. A preliminary assessment of the location and abundance of polymetallic nodules in these areas was made by a consultant in 1997. The same study also included recommendations concerning the types and formats of data required for future resource assessment work. Following the preliminary assessment, the secretariat has reviewed the existing data on the reserved areas and divided the areas into different sectors and blocks according to their

different geographical locations and characteristics. A detailed resource assessment will be conducted in respect of each sector. The assessment will review the available data and information relating to polymetallic nodules, evaluate the adequacy of the data, evaluate the resource potential of each sector, estimate the potential mining characteristics of each sector and identify prime areas for future exploration.

H. Activities for 1999

54. During its meeting in March 1998, the Legal and Technical Commission recommended that, as a priority activity within its substantive work programme, the secretariat should organize two workshops: the first covering the available knowledge on mineral resources other than polymetallic nodules found in the Area, the second on the technologies envisaged for exploration and exploitation and for the protection of the environment. Such workshops would help to elaborate the guidelines that are necessary for the conduct of activities in the Area and should also address the question of mineral resources other than polymetallic nodules. The importance of these issues to the future work of the Authority was also highlighted during the Sanya workshop in June 1998. Accordingly, the secretariat intends, during the next year, to prepare reports on tested, patented and proposed technologies for prospecting, exploration and exploitation of polymetallic nodules, and a review of the status of knowledge and research on resources other than polymetallic nodules found in the Area.

55. In accordance with paragraph 2 of article 143 of the Convention, and paragraph 5 (h) of section 1 of the annex to the Agreement, one of the functions of the Authority is to promote and encourage marine scientific research in order to foster the objective of better knowledge of the reserves of the Area.

XII. PUBLIC INFORMATION

56. The Authority gives publicity to its work by means of press releases. The press releases may also be accessed through the Authority's web site on the Internet (www.isa.org.jm). The web site also contains basic information about the Authority, as well as the official documents and decisions issued by the Authority. In 1998, the Authority published a compendium of selected decisions and documents from the first, second and third sessions in English, French and Spanish (ISA/98/01). This publication also includes an index to the main documents of the Assembly and Council for the first three sessions of the Authority. In addition, the Authority issues a handbook containing details of the membership of the Assembly and the Council, the names and addresses of Permanent Representatives and the names of the members of the Legal and Technical Commission and the Finance Committee.

XIII. FUTURE WORK

57. The major tasks yet to be completed for the internal organization of the Authority include:

(a) Finalization of the headquarters Agreement;

(b) Consideration and adoption of the Financial Regulations;

(c) Consideration and adoption of the Staff Regulations;

(d) Consideration and adoption of the Rules of Procedure of the Finance Committee and the Legal and Technical Commission.

58. It is anticipated that these matters will be addressed during 1999.

59. In terms of the substantive work of the Authority, the priority is to complete work on the draft mining code so that contracts can be issued to each of the seven registered pioneer investors whose requests for approval of plans of work for exploration were considered approved in August 1997. It is important to note that, until contracts are issued, the legal position of the registered pioneer investors remains unclear following the entry into force of the Convention on 16 November 1994, when resolution II ceased to have effect.

60. In addition, the Authority will continue to develop its substantive work programme in order effectively to carry out the functions set out in the Convention and the Agreement. In particular, it will:

(a) Promote and encourage the conduct of marine scientific research with respect to activities in the Area;

(b) Monitor trends and developments relating to deep seabed mining activities, including world metal market conditions;

(c) Acquire scientific knowledge and monitor the development of marine technology relevant to activities in the Area, in particular technology relating to the protection and preservation of the marine environment;

(d) Collect data and information on mineral resources other than polymetallic nodules in the Area which are subjects of research and investigation;

(e) Collect data and information relevant to the implementation of article 82 of the Convention.

Notes

[1] ISBA/4/A/5.

[2] ISBA/3/A/3.

[3] LOS/PCN/SCN.4/WP.16/Add.5.

[4] ISBA/3/A/4.

[5] ISBA/3/C/L.3.

[6] LOS/PCN/WP.49/Rev.2.

[7] ISBA/3/A/WP.1.

[8] ISBA/4/A/L.2.

[9] ISBA/4/A/8.

[10] ISBA/A/15.

[11] ISBA/3/A/5.

[12] ISBA/3/A/6.

[13] ISBA/4/A/10-ISBA/4/C/6.

[14] ISBA/3/A/10.

[15] In the case of the Republic of Korea, which was not able to obtain a certificate of compliance before the Preparatory Commission concluded its work, a statement describing the status of the implementation of the obligations by the registered pioneer investor was issued in lieu of the certificate of compliance (ISBA/3/C/6).

[16] ISBA/3/C/9.

[17] LOS/PCN/150.